

File with M/017/001

Rec DOGM 8/9/89 LMB

August 9, 1989

HAND DELIVERED

Mr. Lowell Braxton, Associate Director  
State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Dear Lowell:

Plateau Resources plans to sell its Garfield County mineral properties, including its Tony M/Lucky Strike mine (File No. Act/017/001) and Frank M mine (File No. Act/017/017), to Nuclear Fuel Services, Inc. ("NFS"). We are enclosing signed transfer documents, including Reclamation Contracts, for each mine. The reclamation costs were reevaluated by Scott Johnson in May of this year. We are enclosing a copy of Scott's memorandum.

NFS proposes to provide surety for each project in the form of a cash deposit in the amount of the reclamation costs shown in Scott's memorandum. The cash is currently in escrow at Pruitt, Gushee & Fletcher and will be deposited with the Division when the transfers have been approved. NFS may eventually seek to change the form of the surety to a corporate bond or other acceptable form of surety and to reduce the amount of the surety on the Frank M in light of the limited area that has been disturbed.

The sale to NFS is contingent upon DOGM approval of the transfers and BOGM approval of the form and amount of the substitute sureties. We request, therefore, that DOGM review the permit transfers as expeditiously as possible and that the matters be brought before the Board at its August 24 meeting.



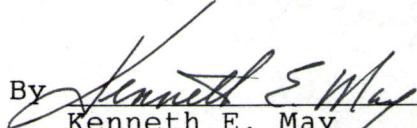
Mr. Lowell Braxton  
August 9, 1989  
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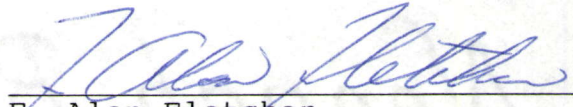
We will be happy to answer any questions that you may have.

Very truly yours,

PLATEAU RESOURCES LIMITED

By   
Kenneth E. May  
General Manager

PRUITT, GUSHEE & FLETCHER,  
Attorneys for Nuclear Fuel  
Services, Inc.

By   
F. Alan Fletcher

Enc. A/S

cc: Dr. Dianne R. Nielson

(0224G)

For Division Use:

File No.: \_\_\_\_\_

Effective Date: \_\_\_\_\_

DOGM Lead: \_\_\_\_\_

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

TRANSFER OF NOTICE OF INTENTION  
LARGE MINING OPERATIONS

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1. (a) Notice of intention to be transferred (file number): Act/017/001  
(b) Name of mining operation: Tony M and Lucky Strike Mines  
(c) Location of mining operation (county): Garfield  
(d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):  
Plateau Resources Limited, 500 Kearns Building,  
136 South Main Street, Salt Lake City, Utah 84101  
Telephone: (801) 533-8383
2. (a) Name, telephone number and mailing address of the operator acquiring the notice of intention (transferee):  
Nuclear Fuel Services, Inc.  
205 Banner Hill Road  
Erwin, Tenn. 37061  
(b) Name, telephone number and address of the authorized representatives of the Transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:  
F. Alan Fletcher  
Pruitt, Gushee & Fletcher  
1850 Beneficial Life Tower  
Salt Lake City, UT 84111
3. (a) The total disturbed area identified in the approved notice of intention: 55  
(b) The actual number of acres disturbed by the operation through date of transfer: 52  
(c) Attach a legal description of above acreages as Appendix "A" and a map of suitable scale with actual disturbed areas clearly shown and identified.
4. This application must be accompanied by a fully executed and signed Reclamation Contract (Form MR-RC).

SWORN STATEMENT OF TRANSFEROR

I, Kenneth E. May being first duly sworn under oath,  
deposes and says that I am General Manager  
(officer or agent)  
of Plateau Resources Limited; and that I am duly authorized to  
(Corporation/Company Name)  
execute and deliver the foregoing obligations; that I have read the said  
application and fully know the contents thereof; that all statements contained  
in the transfer application are true and correct to the best of my knowledge  
and belief. By execution of this statement I certify that the Transferor is  
in full compliance with the Utah Mined Land Reclamation Act, the Rules and  
Regulations promulgated thereunder, and the terms and conditions of Notice of  
Intention No. Act/017/001.

Kenneth E. May  
Signature  
Kenneth E. May  
Name (Typed or Print)  
General Manager  
Title

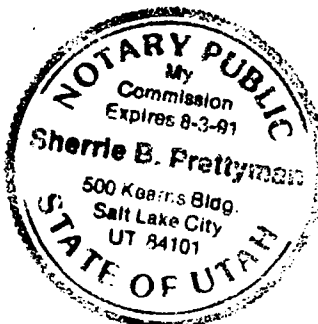
Subscribed and sworn before me this 8/3 day of August, 19 89.

Sherrille B. Prettyman  
Notary Public

My commission Expires:

8/3, 19 91.


State of Utah )  
County of Salt Lake ) ss.



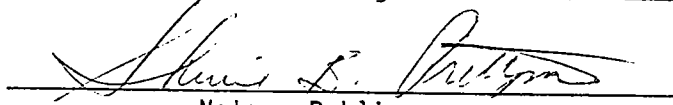
FINAL SWORN STATEMENT OF TRANSFEREE

Paul F. Schutt being first duly sworn under oath,  
depose and say that I am the Managing General Partner ~~CHAIRMAN~~  
(officer or agent)  
of Nuclear Fuel Services, Inc.; and that I am duly authorized to  
(Corporation/Company Name)

execute and deliver the foregoing obligations; that I have read the  
application and fully understand the contents thereof; that all statements  
contained in the transfer application are true and correct to the best of my  
knowledge and belief. By execution of this statement, the Transferee agrees  
to be bound by the terms and conditions of Notice of Intention  
No. Act/017/001, the Utah Mined Land Reclamation Act, and the Rules and  
Regulations promulgated thereunder.

  
Signature  
Paul F. Schutt  
Name (Typed or Print)  
Managing General Partner ~~CHAIRMAN~~  
Title

Subscribed and sworn before me this 8<sup>th</sup> day of August, 1989.

  
Notary Public

My commission Expires:

8/3, 1991.

State of Utah

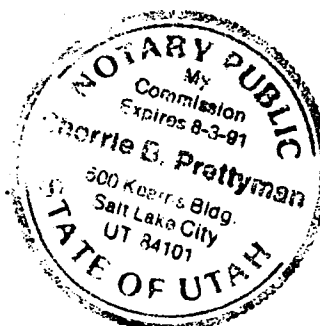
County of Salt Lake

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SS.





CERTIFICATION OF APPROVAL

This is to certify that I have examined the foregoing application and do hereby grant the same, subject to the following limitations and conditions:

- (a) This transfer of notice of intention grants only the right to affect the lands described in Appendix "A".
- (b) The transferee has provided to the Division a fully executed and signed Reclamation Contract (Form MR-RC). The surety shall be effective on the date of transfer.
- (c) The transferee, or such other person as required by UCA 1953, Title 40-8, has acquired legal right to mine for lands described in Appendix "A".

COMMENTS:

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APPROVED: \_\_\_\_\_

(Signature)

Director, Division of Oil, Gas and Mining

Effective Date: \_\_\_\_\_

NOI No.: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
(Signature)

Assistant Attorney General

MN9/45-48

## APPENDIX A

The Tony M and Lucky Strike Mines are located in the SE 1/4, SW 1/4 and SW 1/4, SE 1/4, Section 16, T. 35 S., R. 11 E., and NE 1/4, NW 1/4 and NW 1/4, NE 1/4, Section 21, T. 35 S., R. 11 E. Also set apart from the disturbed area is a mine waste water disposal facility which is located in the SW 1/4, NE 1/4 and SE 1/4, NE 1/4, Section 17, T. 35 S., R. 11 E., Garfield County, Utah.

A map of suitable scale depicting actual disturbed areas of the mining operation has previously been filed with the Division of Oil, Gas and Mining and is identified as "Map #7-TM-7."